

Assembly Bill No. 564

Passed the Assembly August 26, 2010

Chief Clerk of the Assembly

Passed the Senate June 28, 2010

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2010, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Division 10.75 (commencing with Section 11999.3.1) to the Health and Safety Code, relating to substance abuse.

LEGISLATIVE COUNSEL'S DIGEST

AB 564, Portantino. Substance abuse treatment programs: restrictions on compensation.

Existing law provides for substance abuse treatment programs, as specified.

This bill would establish a limitation on the amount of compensation a director, officer, or employee of a substance abuse treatment facility may receive from public sources, not to exceed a certain federal compensation limitation, and would establish specified compensation requirements for any director, officer, or employee who collects rent from a drug treatment facility. The bill would require these restrictions on compensation to be terms of any contract entered into in the state to provide drug treatment if, under that contract, public funds are to be used to provide the drug treatment.

The people of the State of California do enact as follows:

SECTION 1. Division 10.75 (commencing with Section 11999.3.1) is added to the Health and Safety Code, to read:

DIVISION 10.75. COMPENSATION OF SUBSTANCE
ABUSE TREATMENT PROVIDERS

11999.3.1. The following restrictions shall apply to the compensation of any director, officer, or employee of any corporation providing substance abuse treatment in the state, and shall be required terms of any contract entered into in the state to provide drug treatment if, under that contract, public funds are to be used to provide the drug treatment:

(a) The maximum amount of public funds that may be used for compensation for a full-time director, officer, or employee shall

not exceed the salary limitation established by the federal government on awards made by the federal Substance Abuse and Mental Health Services Administration (SAMHSA). This amount shall be prorated for any person working less than full time.

(b) Public funds shall not be used for compensation for any director, officer, or employee who collects rent from a substance abuse treatment facility unless that person certifies that he or she is in compliance with the federal Office of Management and Budget Circular A-122, relating to cost principles for nonprofit organizations.

Approved _____, 2010

Governor